INFORMATION REPORT

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COUNTRY Germany (Russian Zone)/USSR

DATE DISTR.

8 October 1948

SUBJECT SMA Party Applarat Criticism of the Economic Division

NO. OF PAGES

5

PLACE ACQUIRED NO. OF ENCLS.

DATE OF ACQUIRED

SUPPLEMENT TO REPORT NO.

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Maving read and discussed the report prepared by the deputy chief of the SMA, Comrade Koval, entitled "On the over-all execution of the plan for delivery of reparations goods from current production for the first half of 1948, and the problems of fulfilling the One-Year Plan", the assembly of the "Party-Applies" points out that, notwithstanding the good work done by the SMA, by the state SMAs (Pussian: USVA), by the Soviet AGs, and by the Soviet employees of the SAG Interprises, the total calculations show that the execution of the One-Year Plan during the first half of 1948 was only 51 per centar complete and that the Half-Year Reparations Plan was not executed according to specifications. Out of 680 orders, 70 were not filled at all; furthermore, the reparations which failed to materialize prove to be those which are most important: in shipbuilding, in construction of railroad cars, in equipment for the forest, agricultural, and metallurgical industries.

Together with the above failure, part of the merchandise consigned as reparations fails to satisfy the demands of the Soviet customers as to quality (and as to quantity, the delivered goods are short by 11 million marks).

The 'Party-Lative' points out that the essential politicoeconomic task of the employees of the SAGs is and remains the fulfilment of plans for reparations merchandise, and this not only in
quantity but above everything else in quality and according to the
specifications -- an obligation to be fulfilled in all respects.
Therefore the "Party-Artivet" deems the net results of the execution
of the Half-Year Reparations Plan unsatisfactory. The SMA, the
state SMAs, employees of the SAGs, of the SAG Enterprises, and also
the political organs and political organizations have not utilized
all available possibilities in every way to prevent failure of deliveries
to the Soviet Union.

Many economic leaders and technical and engineering workers have

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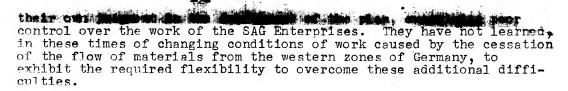
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Also, the several Soviet officers have not yet rid themselves of clerical-bureaucratic methods of work, and have failed to correlate various facts pertinent to the fulfilment of the reparations plan. The government-approved plan has often failed to be referred by the SMA to the state SMAs and to the SAG Enterprises in time for execution; there were also no monthly directives establishing priorities for manufacture and delivery (Department of Reparations and Supply, Department of Economic Planning).

Notwithstanding the lack of some raw materials, especially metals, the SMA for Germany and the State SMAs have not fully realized the necessity off establishment of controls to utilize the available materials in order to fulfil the reparations plan as the top priority.

To assure the fulfilment of the plan, the German Economic Commission and the local organs of self-government have assisted only half-heartedly. Many employees of the SAG Enterprises have not attempted vigorously enough to execute Marshal Sokolovsky's Directive No. 234, and have not tried actively enough to mobilize the local German party and union organizations to increase working efficiency and labor discipline.

Some political organs and party and labor union organizations have not shown the necessary attention and energy in the effort to fulfillthe plan, and have not counteracted the unhealthy attitude of individual workers caused by the complexity of labor problems under the changed conditions.

The Political Administration, the Political Section of the SMA staff, the party organizations within the Administrations of Machine Construction and Electric Power Production, Foreign Trade, and Reparations and Supply, and the Party Committee of the SAGs have not yet completely succeeded in coordinating political work with economic tasks, have not sufficiently used the Soviet methods of criticism and nelf-criticism, and for that reason have not helped to mobilize the initiative of all engineer and technical staffs of the SMA to overcome the difficulties and so to prevent the failure of the plan.

The "Party comes to the conclusion that only through a thorough liquidation of the above listed deficiencies in our work shall we be able to overcome the serious lags in the fulfilment of the reparations plan.

The "Party wolfet " has decided:

l. To demand that all political and economic leaders and all Communists and Comsomols in the SMA radically change all practical work and furnish absolute assurance of 100 percents. fulfilment of the Half-Year Plan's economic directives of the Soviet Union (as to reperations and as to profits), both according to quantity and especially according to quality and specifications of goods produced. Parvenserpretations made by individuals should be changed to resolute and ruthless elimination of delays and difficulties, in order to assure the satisfactory execution of the reparations plan. Questions by individual workers, attempting to hide their helplessness and causing additional difficulties, should be viewed as unworthy of Soviet methods. All SMA employees connected with



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reserves of the Soviet zone in materials and production capabilities, in order to assure 100 percentat. fulfilment of the reparations plan.

- 2. The party, the Comsomol, and the union organizations are to devote themselves to politico-educational and party-political work aiming at the mobilization of all workers of the SMA puriorder to arrive at the constructive solution of the problems of italiling the reparations plan; they are to remind every Soviet employee continually that the fulfilment of the reparations plan is his patriotic duty to his fatherland, helping his country in the fight to fulfil the Five-Year Plan, which will further strengthen his socialist fatherland. Criticism and self-criticism should be utilized in every way in order to eliminate red tape in the military administration and in the SAGs, simplify all work on the reparations plan, and elevate the responsibility of every employee regardless of what position he may occupy, and execute the orders of the Coviet Union.
- 3. To call the attention of Comrades Aleksandrov and Makarov (Departments of Machine Construction and Electro-Technical Industry) and Comrades Belogorlov (sic) and Shukin (Directorate of Soviet AGs) to the serious failures in the work of their departments, as a result of which important deficiencies occurred, preventing fulfilment of the reparations plan. They are to be held perconally responsible for the lags in the effort to fulfil the reparations deliveries according to orders and in the required quality of materials.
- 4. To demand that Comrades Dubrovsky, Popov, and Zyablov immediately initiate work resulting in the fulfilment of the reparations plan as to the delivery of merchandise according to the requested type and quality. The tendency to hide the scarcity of numblies of raw materials should be eliminated; also the formal attitude toward the execution of the reparations plan should be eliminated.
- 5. To call the attention of Comrades Zamaraev and Belinsky (Department of Material Resources) to the fact that the tightening in allocation of metals for the second half of 1948 immediately showed itself in several undertakings concerned with the fulfilment of the reparations plan. To demand that Comrades Zamaraev and Belinsky organize a regular and timely allocation of materials and fuel and the maximum utilization of resources available in the Soviet zone.
- 6. To call the attention of Comrades Wikhin and Merinov (Department of Foreign Trade) to the non-fulfilment of the plan to import raw materials, especially metals, as a result of which industrial work fell off, thus causing the non-fulfilment of the reparations of an.
- 7. To demand of Comrades Zorin and Orlova (Department of Reparations and Surply of the SMA) that they liquidate the lag in work by timely allocations of orders and by immediate procurement of all technical documents in the planned allocations in the SAG Enterprises of orders of special importance to the Soviet Union. They are to organize systematic controls to assure the fulfilment of the reparations plan directives, to take steps to prevent the lag in the fulfilment of the plan according to specifications, and to keep reminding the leaders in the SMA about the delays in various Simmfirms.



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the TskVKP(b) that some ministries (Ministry of toal Pastern and Western Regions; Ministry of Metallurgy; Ministry of Heavy Industry) have not fulfilled their duties in reference to provision of technical documentation in accordance with the decision of the. Council of Ministers who composed the directive making Germany supplement dhe Soviet metallurgical and general industry; thus these ministries have prevented the timely execution of an important decision of the chief executive.

- In order to free the Soviet Zone of occupation in Germany from economic dependence upon the western zones, it is considered indispensable to lay down strict rules for the second half of the year in order to reduce the deficit in certain aspects of raw materials (fuel, metal), production, and equipment, and thus to prepare for a better execution of the 1949 plan.
- 10. To demand of the leading employees of the military komendaturas of the state SMAs that for the sake of the execution of the industrial production plans they shall strengthen their controls and subordinate them to the state and sonal authorities, and that all practical help shall be extended to the SAG Enterprises.
- 11. The "Party-Applied" calls the attention of the administrational and industrial leaders to the indispensability of undertaking the education of the German workers and helpers. The local party and trade union organizations should make an effort to initiate labor competition in order to fulfil and exceed the production plans and to strengthen the discipline and efficiency of work.
- 32. Noting the disappointing propaganda for the Two-Year Plan of Economic Recovery of the Soviet 20 ne of occupation in Germany, the "Party-Applice" imposes on the political organs and party organizations the duty of clarifying the meaning of the Two-Year Plan for Recovery and Development for the Soviet Zone for 1948-1950 and its aconomic and political importance, and also of organizing systematic controls to fulfil the nlan.
- 13. There are already incidents of diversion and sabotage against reparations, and it is possible that foreign intelligence services and the fascist-imperialist underground will intensify their injurious work in the Soviet Zone of occupation. The "Party-Applicat" calls on all Soviet people working in Germany to increase their vigilance in cooperating in all ways in cleansing German officialdom and German industry of all hostile elements.
- 14. The "Party-Aptiet" expresses its assurance that all Soviet employees of the SMA will fulfil the tasks demanded of the and will worthily fulfil their natriotic duty to their fatherland.

Comment: In the translation the following abbreviations have 25X1A been used:

> SMA, for the Russian SVA (or SVAG): Sovietskaya Voennaya Administratsia, Soviet Military Administration SAG, for the Russian SGAO: Sovietskoe Gosudarstvennoe

> Aktsionernoe Obshchestvo, Soviet State Stock Company Taky P(b): Central Committee of the Onica Unicom Communicative typerty (Bolsheviki)

The following persons mentioned in the resolution can be identified:

Koval, K. I., Deput of the Supreme Chief of the SMA for Economic

Sokolovsky, Mer.

Domestic Chief of the SMA and sweremenCommander of the Soviet

Aleksandrov, G. G. head of the Indistry Department of the Ship Belogorodov, Maj. en. fnu, general different of the SAGA Approved For Release 2001/03/22: CIA-RDP82-00457R001900460010-4

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# The following persons mentioned in the resolution can be identified:

Koval, K. I., Deputy of the Supreme Chief of the SMA for-Economic Questions

Sokolovsky, Marshal Vassili D., Supreme Chief of the SMA and Supreme Commander of the Soviet Occupation Tro

the Soviet Occupation Troops in Germany

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Aleksandrov, G. G., head of the Industry Department of the SMA Belogorodov, Maj. Gen. fnu, general director of the SAGs Shukin (previously reported as Shuk), Col. fnu, Chief of the Administration of the SAGs

Dubrovsky, Maj. Gen. D. Gl, Chief of the SMA for Saxony
Topov: perhaps Col. N. M. Popov, deputy to General Zorin in
the Department of Reparations

Mikhin, Col. V. K., Chief of the Department of Foreign Trade Zorin, Maj. Gen. L. I., Chief of the Department of Reparations)

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